



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CERTIFIED MAIL
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MAY -6 2015

Christopher Wolfe

Derry, New Hampshire 03038

RE: MUR 6363 and MUR 6440

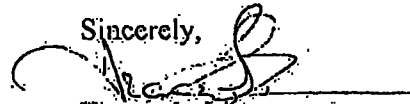
Dear Mr. Wolfe:

This is in reference to the complaint designated MUR 6363 that you filed with the Federal Election Commission on September 1, 2010, concerning funds Frank Guinta loaned his campaign committee during the 2010 election cycle. The Commission merged MUR 6363 into MUR 6440, and found that there was reason to believe that Frank Guinta violated 2 U.S.C. § 441f (now 52 U.S.C. § 30122), and that Friends of Frank Guinta and its treasurer in his official capacity (the "Committee") violated 2 U.S.C. §§ 434(b) and 441a(f) (now 52 U.S.C. §§ 30104(b) and 30116(f)), provisions of the Federal Election Campaign Act of 1971, as amended, and conducted an investigation in this matter. On April 29, 2015, a conciliation agreement signed by counsel on behalf of Frank Guinta and the Committee was accepted by the Commission. Previously, on December 9, 2014, the Commission decided to take no action as to the remaining respondents, Richard Guinta and Magdalene Virginia Guinta, other than send a caution letter with respect to violations of 52 U.S.C. §§ 30116 and 30122 (formerly 2 U.S.C. §§ 441a and 441f), and closed the file as to them. Accordingly, the Commission closed the entire file in this matter on April 29, 2015.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003) and Statement of Policy Regarding Placing First General Counsel's Reports on the Public Record, 74 Fed. Reg. 66,132 (Dec. 14, 2009). A copy of the conciliation agreement is enclosed for your information.

If you have any questions, please contact me at (202) 694-1650.

Sincerely,



Tracey L. Ligon
Attorney

Enclosure
Conciliation Agreement

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
 Frank Guinta)
)
 Friends of Frank Guinta and)
 Paul Kilgore in his official capacity as treasurer)

MUR 6440

CONCILIATION AGREEMENT

This matter was initiated by a signed, sworn, and notarized complaint. The Federal Election Commission ("Commission") found reason to believe that Frank Guinta violated 2 U.S.C. § 441f (now 52 U.S.C. § 30122), and that Friends of Frank Guinta and its treasurer in his official capacity, (collectively, "Respondents") violated 2 U.S.C. §§ 434(b) and 441a(f) (now 52 U.S.C. §§ 30104(b) and 30116(f)).

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 52 U.S.C. § 30109(a)(4)(A)(i) (formerly 2 U.S.C. § 437g(a)(4)(A)(i)).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Frank Guinta was a candidate in the 2010 election for the U. S. House of Representative's seat in New Hampshire's 1st Congressional District.

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2. Friends of Frank Guinta is a political committee within the meaning of 52 U.S.C. § 30101(4)(A) (formerly 2 U.S.C. § 431(4)(A)), and is Frank Guinta's principal campaign committee within the meaning of 52 U.S.C. § 30101(5) (formerly 2 U.S.C. § 431(5)).

3. Paul Kilgore is the treasurer of Friends of Frank Guinta, but was not the treasurer during the 2010 election cycle.

4. Under the Federal Election Campaign Act of 1971, as amended ("the Act"), a contribution is any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office. 52 U.S.C. § 30101(8)(A)(i) (formerly 2 U.S.C. § 431(8)(A)(i)). The Act prohibits any person from making contributions "to any candidate and his authorized political committee with respect to any election for Federal office which, in the aggregate, exceed \$2,000." 52 U.S.C. § 30116(a)(1)(A) (formerly 2 U.S.C. § 441a(a)(1)(A)). Indexed for inflation, this contribution limit was \$2,400 in the 2010 election cycle. This contribution limit also applies to a candidate's family members. The Act prohibits any candidate or political committee from knowingly accepting any contribution made in violation of the Act's contribution limitations. 52 U.S.C. § 30116(f) (formerly 2 U.S.C. § 441a(f)).

5. All contributions made by persons other than political committees must be reported in accordance with 52 U.S.C. § 30104(b)(2)(A) (formerly 2 U.S.C. § 434(b)(2)(A)). Political committees must report the identification of each person who makes a contribution or contributions with an aggregate value in excess of \$200 during the reporting period, together with the date and amount. 52 U.S.C. § 30104(b)(3) (formerly 2 U.S.C. § 434(b)(3)).

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6. "Personal funds of a candidate" is defined, in relevant part, as "[a]mounts derived from any asset that, under applicable State law, at the time the individual became a candidate, the candidate had legal right of access to or control over, and with respect to which the candidate had -- (1) Legal and rightful title; or (2) An equitable interest." 52 U.S.C. § 30101(26) (formerly 2 U.S.C. § 431(26)); 11 C.F.R. § 100.33.

7. On June 30, 2009, Guinta's parents each contributed \$2,400 to Friends of Frank Guinta for Guinta's primary election. Each also contributed \$2,400 on September 30, 2009, for his general election. Thus, they each contributed the maximum amount that they could permissibly contribute to Friends of Frank Guinta during the 2009-2010 election cycle.

8. Between June 2009 and September 2010, Guinta received \$381,000 in the form of checks made payable to him, drawn from accounts held in Guinta's parents' names, to which Guinta contends he had an equitable interest under state law, as set forth below.

Checks Signed by Guinta's Father	
06/28/2009	\$22,000
Checks Signed by Guinta's Mother	
03/29/2010	\$100,000
06/17/2010	\$50,000
06/30/2010	\$75,000
08/18/2010	\$40,000
09/02/2010	\$19,000
09/02/2010	\$25,000
09/03/2010	\$1,000
09/08/2010	\$25,000
09/10/2010	\$24,000
SUBTOTAL: \$359,000	
TOTAL: \$381,000	

9. Guinta used the funds he received from accounts held in his parents' names between June 2009 and September 2010 to make \$355,000 in loans to his campaign committee, as follows.

06/30/2009	\$20,000
03/28/2010	\$100,000
06/27/2010	\$125,000
09/03/2010	\$60,000
09/10/2010	\$50,000
TOTAL: \$355,000	

10. In disclosure reports filed with the Commission, Friends of Frank Guinta and its treasurer in his official capacity disclosed that the \$355,000 Guinta loaned his campaign committee came from his personal funds.

11. Guinta made certain documents, financial data, and materials available to the Commission for inspection during the course of the investigation, which Guinta contends demonstrate that all funds loaned to the Guinta campaign were funds to which Guinta had an equitable interest pursuant to state law. Guinta contends that those funds were derived from long-held family accounts into which Guinta had made contributions over many years. Guinta further contends that the source(s) of the funds Guinta accessed for his 2010 campaign were in the nature of family funds enhanced by the contributions Guinta made to the family fund(s). In addition, Guinta contends that the sources of the funds Guinta accessed for his 2010 campaign were not disclosed on his Candidate's Personal Financial Disclosure Report because the Guinta family funds were not required to be disclosed on that report filed with the U.S. House of Representatives.

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V. The parties agree to the following, for purposes of resolving this Matter Under Review:

1. During his 2010 campaign, Friends of Frank Guinta and its treasurer in his official capacity did not properly disclose that the funds Guinta loaned to his committee were drawn from accounts held in Guinta's parents' names, which Respondents contend are Guinta family funds, as required by 52 U.S.C. § 30104(b) (formerly 2 U.S.C. §§ 434(b)), and the Commission concludes that Friends of Frank Guinta accepted excessive contributions as a result in violation of 52 U.S.C. § 30116(f) (formerly 441a(f)).

VI. 1. Respondents will pay a civil penalty of Fifteen Thousand Dollars (\$15,000) pursuant to 52 U.S.C. § 30109(a)(5)(A) (formerly 2 U.S.C. § 437g(a)(5)(A)). The civil penalty will be due no more than sixty (60) days from the date this Agreement becomes effective.

2. Friends of Frank Guinta and its treasurer in his official capacity will cease and desist from violating 52 U.S.C. §§ 30104(b) and 30116(f) (formerly 2 U.S.C. §§ 434(b) and 441a(f)).

3. Friends of Frank Guinta and its treasurer in his official capacity will refund the \$355,000 loaned to Friends of Frank Guinta within twelve months of the effective date of this agreement.

4. Friends of Frank Guinta and its treasurer in his official capacity will submit to the Commission's Reports Analysis Division one miscellaneous filing that will serve to amend its reports to reflect that the funds at issue were obtained from accounts held in Guinta's parents' names, which Respondents contend are Guinta family funds.

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VII. The Commission, on request of anyone filing a complaint under 52 U.S.C. § 30109(a)(1) (formerly 2 U.S.C. § 437g(a)(1)) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

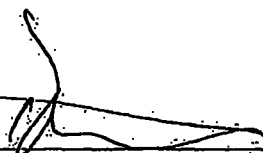
VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

IX. Except where otherwise provided, Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.


FOR THE COMMISSION:

May 5, 2015
Date

BY: 
Daniel A. Petalas
Associate General Counsel
for Enforcement

FOR THE RESPONDENTS:

April 17, 2015
Date


Cleta Mitchell, Esq.
Counsel, Friends of Frank Guinta and
Frank Guinta